



Capacity Development Implementation

Annual End of Year Report

State Fiscal Year 2014

FY 2015 DWSRF Withholding Determination

**Engineering Section
Arkansas Department of Health**

1. Summary of State Capacity Development Program Annual Reporting Criteria

A. New systems program annual reporting criteria

1. Has the state's legal authority (statutes/regulations) to implement the New Systems Program changed within the previous reporting year? If so, please explain and identify how this has affected or impacted the implementation of the New Systems Program. If not, no additional information on legal authority is necessary.

ANS: No

2. Have there been any modifications to the State's control points? If so, describe the modifications and any impacts these modifications have had on implementation of the New Systems Program. If not, no additional information on control points is necessary.

ANS: No

3. List new systems (PWSID & Name) in the State within the past three years, and indicate whether those systems have been on the Enforcement Targeting Tool lists (as generated annually by EPA's Office of Enforcement and Compliance Assurance.

ANS: See Attachment A for a complete listing.

B. Existing System Strategy

1. In referencing the State's approved existing systems strategy, which programs, tools, and/or activities were used, and how did each assist existing PWS's in acquiring and maintaining FMT capacity? Discuss the target audience these activities have been directed towards.

ANS: See Attachment B, pages 5 - 13 for a description of the tools, programs and activities that the Engineering Section used for assisting PWS's acquire and maintain FMT capacity. The target audience for these activities is water systems with a retail population below 10,000.

The primary focus of the Capacity Development strategy is to provide Technical Assistance Contractors focusing on Technical/Operational and Financial/Managerial issues. Other direct or indirect program activities that encourage capacity development are:

- Enforcement
- Operator Training/Certification
- Long Range Plans
- Sanitary Surveys
- Regionalization Efforts
- Technical Assistance
- Consumer Confidence Reports

2. Based on the existing system strategy, how has the State continued to identify systems in need of capacity development assistance?

ANS: In accordance with the strategy, a priority list is prepared, at least annually, that ranks each public water system with a population under 10,000 according to FMT need. The list is utilized by the technical assistance contractors as they provide technical assistance.

3. During the reporting period, if statewide PWS capacity concerns or capacity development needs (FMT) have been identified, what was the State's approach in offering and/or providing assistance?

ANS: The primary method to determine capacity development need is current or future compliance ability. The major focus of the point system for the priority list is points received based on frequency and severity of violations. The priority list is updated monthly, based on a review of the violations. Any system that could potentially become a significant violator would be offered assistance from one of the technical assistance providers or from the ADH staff.

4. If the State performed a review of implementation of the existing systems strategy during the previous year, discuss the review and how findings have been or may be addressed.

ANS: No formal review of the implementation efforts has been conducted.

5. Did the State make any modifications to the existing system strategy? If so, describe.

ANS: There were no formal modifications to the existing system strategy for this reporting period.

2. Reporting Period and Submittal Dates

The annual implementation reporting period is based on the State Fiscal Year.
The SFY closed on 06/30/2014.

The report is due to USEPA Region VI offices on or before 09/30/2014.

Attachment A
New System Strategy

The following information is provided to demonstrate how the State is ensuring “NEW” drinking water systems have technical, managerial, and financial capacity:

1. A list of “new” community water systems and “new” non-transient, non-community water systems that previously have been approved during the past three [3] years, which have demonstrated technical, managerial, and financial capacity with respect to each national primary drinking water regulation in effect, or likely to be in effect, on the date of commencement of operations.

For reporting purposes, “approved during the past three [3] years” means systems which have been previously approved but were activated during the SFY 2012 - 2014 reporting period.

PWSid	Public Water System Name	Rpt Yr
1075	North Howard Rural Water Association	2012
1123	Wilson Gun Shop #2	2012
1133	Ward Mobile Home Park	2012
998	Ozark Mountain Regional Public Water Authority	2013
1076	Lonoke White Public Water Authority	2014

2. A brief description of the process ADH has taken to ensure that these “new” drinking water systems have technical, managerial, and financial capacity.
 - a. All “New” systems undergo review and approval in accordance with the “New” systems strategy approved by Region VI.
 - b. All systems are monitored for all applicable state and federal regulations. Violations are issued as required.
 - c. All “new” systems will be given a FMT assessment as part of the Small System Technical Assistance Contract(s).

Attachment B

Existing System Strategy

1. Technical Assistance Contracts - Technical/Operational [TO] Contract

For SFY 2014, the TO Contractor, Arkansas Rural Water Association [ARWA] completed the following:

781 Technical Assistance Hours
1 CPE

Technical Assistance was performed at the following systems:

PWSid	Public Water System Name	PWSid	Public Water System Name
635	Arkadelphia	602	Havana
068	Banks	884	Hosanna Heights
819	Basin Valley	301	Hoxie
622	Batts-Lapile	397	Jasper
821	Bismarck	821	Kimzey Regional Water
336	Booneville	688	Lawrence County Regional
014	Boydell	716	Lisbon
223	Breckinridge-Union	327	Magazine
024	Briarcliff	110	McNeil
515	Caddo Valley	589	McRae
532	Caldwell	557	New London
165	Carthage	188	Northwest Regional Airport
503	Central Water Users	802	Outside Kingsland
741	Clark County Country Water	530	Ozark Acres
669	Compton	530	Paragould
439	Cove	649	Pendleton Pea Ridge
748	Crabapple Point	394	Prescott
149	Crawfordsville	561	Quinn
459	Cross County	239	Riviera Utilities
685	Deer Run	330	Scranton
199	Denning	219	So. Sheridan
082	Dermott	978	South Pike
646	East End	219	South Sheridan
545	Felsenthal	678	SPG
635	Fordyce Rural	114	Taylor
323	Foreman	782	Tri-County Regional Water
699	Gentryville	137	Vandervoort
516	Gillham	806	Wiederkehr
154	Gilmore	562	Wildwood
884	Hardy	529	Williford

A CPE was conducted at the following system:

PWSid	Public Water System Name
821	Kimzey Regional Water

Listed below are some of the highlights of the assistance given by ARWA this year as part of the TO Contract:

Thornton -- Provided technical assistance to operator in day to day operational duties and with chemical dosing problems

SPG -- Assisted operator with an investigation and determination of distribution pressure loss.

Compton -- Provided the operator with peer-to-peer training

Crabapple Point -- Assisted the operator with pressure problems and sample sites

2. Technical Assistance Contracts – Financial and Managerial [FM] Contract

For SFY 2014, our FM Contractor, Arkansas Rural Water Association [ARWA] completed the following:

655 Technical Assistance Hours
2 CPEs

Technical Assistance was performed at the following systems:

PWSid	Public Water System Name	PWSid	Public Water System Name
271	Altheimer	409	Millwood Water Corp
638	Blue Mountain	681	Morning Star
979	Bonanza	709	Morrison Bluff
515	Caddo Valley	1110	Mount Magazine
532	Caldwell	557	New London
660	Casa	697	Northeast Yell County
647	Chester	175	Northern Ohio
741	Clark County Country Water	604	Ola
289	Clarksville	559	Old Union
520	DeQueen	802	Outside Kingston
243	Dierks	883	Paron-Owensville
809	East Logan County	172	Pickens
418	Elaine	818	Pike City Water Association
545	Felsenthal	18	Portland
635	Fordyce Rural	561	Quinn
9	Gillett	329	Ratcliff
317	Grady	330	Scranton
18	Hamburg	815	South Mountain
506	Hartford	978	South Pike County
602	Havana	219	South Sheridan

427	Heafer-Black Oak	318	Star City
884	Hosanna Heights	755	Starlight Estates
397	Jasper	334	Subiaco Academy
821	Kimzey Regional Water	114	Taylor
80	Lake Chicot	72	Thornton
688	Lawrence County Regional	174	Watson
467	Little River County	562	Wildwood
1076	Lonoke White PWA	163	Wynne
718	Lurton-Pelsor	319	Yorktown
170	McGehee		

Each year ARWA provides a number of activities to assist the water systems improve their financial and managerial capacity. The emphasis is placed assisting systems with asset management plans, rate studies, long range plans, emergency response plans and budget analysis. Listed below is a summary of some of the highlights on those activities:

Felsenthal Waterworks -- Performed a rate study

Northeast Yell County -- Developed a long range plan

Eudora -- Developed an emergency response plan

CPEs were conducted at the following systems:

PWSid	Public Water System Name
821	Kimzey Regional Water
604	Ola Waterworks

3. Sustainable Infrastructure Mapping Initiative

PWSid	Public Water System Name	PWSid	Public Water System Name
663	Airport Road	297	Lewisville Waterworks
197	Altus	206	Mammoth Spring
757	Atkins	136	Mulberry Water
415	Barton Lexa	856	Nail Swain
497	Bauxite	883	Paron Ovensville
411	Bigelow	412	Perry
69	Cleveland County Water	18	Portland
601	Dardenelle	216	Prattsville
61	Diamond City Waterworks	40	Rambo Riviera
698	Dota	252	Rock Moore Water Assn
635	Fordyce Rural	219	S. Sheridan
645	Furlow	678	SPG Water
414	Houston	798	Toad Suck
145	HWY 71	434	Truman Rural Water
63	Lead Hill Waterworks	220	Tull

Arkansas amended its Capacity Development Strategy in 2007 to allow the state to undertake sustainable infrastructure initiatives. ARWA, one of our technical partners and stakeholders, participated during the Katrina Hurricane technical assistance and cleanup activities. One of the outcomes of that assistance was the observation that it would be a good idea for water systems to utilize existing technology in geographical positioning and software to permanently locate all major physical infrastructure features. Based on those recommendations and USEPA Region 6 participation, we contracted with a specialized consultant Magnolia River Services [MRS] to provide this service to a select group of high priority small systems. During SFY 2014 our contractor was able to provide detailed maps and coordinates for the following small systems.

Our goal is to increase the number of systems for SFY 2015 from 30 to 35 systems. The feedback from these systems has been very positive. Some are purchasing or are considering purchasing of GPS equipment and licenses for GIS software.

The Capacity Development Coordinator provides considerable input on the priority list of systems to be evaluated for the work projects. He works with these systems, assists with the data collection and coordinates with MRS to make sure that the contract efforts are successful.

4. The Technical Assistance Contracts are the focus of our capacity development efforts and are funded through the technical assistance SRF set-asides. There are a number of other direct and indirect program activities that encourage and assist our public water systems improve their capacity. They are as follows:

- a. Enforcement Actions

The Engineering Section has an enforcement plan in place to assist those systems which are significant or reoccurring violators. The plan has been in place for a number of years. The Engineering Section has a Compliance Officer who tracks enforcement efforts and pursues enforcement actions that are warranted.

In SFY 2014, the Capacity Development Coordinator continued the process started in SFY 2008 of meeting with the Compliance Officer monthly to go over the Engineering Section monthly grading significant non-complier list. Each system is reviewed and a list of "Hot Systems" is prepared by the Capacity Development Coordinator. The Capacity Development Coordinator contacts these systems to see what assistance can be given. If appropriate, ARWA is invited to provide direct assistance through our contract services.

We are hopeful that with additional contact and capacity assistance that some of the recurring violators may be minimized.

- b. Operator License Certification/Training

The Engineering Section has an Operator Certification/Training program in place to assist operators to comply with all of the licensing requirements. The Engineering Section now has a Compliance Manual specifically designed for training the operator about their regulatory requirements. The Engineering Section provides about sixteen, one day classes each year designed to introduce any operator to the various USEPA and State regulatory requirements.

In addition, the Engineering Section also provides a number of specialized training events each year, such as:

- Fluoride Training

- Consumer Confidence Training
- Surface Water Treatment Plant Optimization
- Lead and Copper Training
- Disinfection and Disinfection-By Product Training
- Upcoming Regulatory Training

The Engineering Section also had contracts with Arkansas Rural Water Association and Arkansas Environmental Academy to conduct two training sessions per contractor each month sites throughout the State as part of the OpCert Capitalization Grant.

During SFY 2014, the Capacity Development Coordinator met with the Operator Certification Officer to identify and target systems with operator certification or training issues.

c. Sanitary Surveys

Sanitary surveys are an important part of evaluating the capacity of systems to comply with the SDWA. Beginning in SFY 2010, the Capacity Development Coordinator began reviewing the newly completed surveys to determine if there are capacity issues that need to be addressed, such as:

- Source capacity issues
- Treatment issues
- Distribution issues
- Low pressure areas
- Water Quality issues
- Reporting issues
- Operator certification issues
- Operator training issues

The capacity development coordinator worked with systems with capacity needs and assigned a contractor to assist.

d. Long Range Plans

The Engineering Section has adopted the policy of encouraging all existing systems to prepare and update long range plans. Special emphasis is placed on those water systems with chronic problems that could be helped by an overall long range plan to guide them.

e. Regionalization

Although our Engineering Section cannot require regionalization under its regulations, it certainly does encourage regionalization as strongly as possible as part of our “New” system strategy and during plan review of “Existing” systems.

The Engineering Section is a member of the State Water and Wastewater Advisory Committee which meets on a regular basis to review applications for new construction loans. As part of that review process with other State Agencies, utilities are encouraged to consolidate or interconnect where possible. Regionalization is encouraged also during the DWSRF loan application process. Applicants making connection or consolidation are awarded additional priority points.

The Capacity Development Coordinator will be working with the regional staff

next year to identify those systems that would be best served by consolidating or interconnecting with other systems that are better prepared to meet the requirements of the SDWA.

f. Technical Assistance

The Engineering Section provides one-on-one technical assistance to water systems as part of our regional and statewide program activities. On a regional basis, the District staff provides assistance through the sanitary survey process, plan review and onsite assistance with sampling, water treatment and other issues. On a statewide basis, the Technical Assistance staff provides guidance, training and implementation of the various USEPA rule packages that are not directly implemented on a regional basis. This would include things like: the Lead/Copper Rule, SW Treatment Rule, D/DBP Rules and the Groundwater Rule.

The Capacity Development Coordinator will be working with the regional staff next year to host some training sessions on Asset Management and other key topics to assist the regional staff as they work with the water systems on implementing the various rule packages and their implications.

g. CCR Assistance

Each year our staff drafts over 700 Consumer Confidence Reports based on the water quality and violation status of each water system. These CCR reports are made available to the utility in a format that is ready for mailing or for publishing in their local newspaper.

This assistance has been very effective. We have a very low percentile of non-filing, inadequate formatting and non-reporting of certification.